

VZCZCXYZ0059
RR RUEHWEB

DE RUEHLS #0063/01 0291452
ZNR UUUUU ZZH
R 291452Z JAN 09
FM AMEMBASSY LUSAKA
TO RUEHC/SECSTATE WASHDC 6684
INFO RUEHZA/AFRICAN UNION COLLECTIVE
RUEATRS/DEPT OF TREASURY WASHDC
RUEHRC/DEPT OF AGRICULTURE WASHDC

UNCLAS LUSAKA 000063

SENSITIVE
SIPDIS

DEPARTMENT PASS TO USTR (BILL JACKSON)

E.O. 12958: N/A

TAGS: [ECIN](#) [EAID](#) [ETRD](#) [ECON](#) [XA](#) [ZI](#) [ZA](#)

SUBJECT: U.S. SUPPORTS REGIONAL INTEGRATION THROUGH COMESA

¶1. (SBU) Summary. On January 19, Ambassador presented his credentials in order to be accredited as the U.S. Special Representative to the Common Market for Eastern and Southern Africa (COMESA). COMESA Secretary General Sindiso Ngwenya expressed appreciation for USG assistance to COMESA integration and economic development. According to Ngwenya, the Secretariat will host the next COMESA summit this May most likely in Lusaka, in lieu of Zimbabwe. During the summit, COMESA will launch its customs union and announce a new COMESA Chair to succeed Kenyan President Mwai Kibaki. Ngwenya said that while COMESA would like to host the next U.S.-COMESA TIFA Council meeting, it might be necessary to hold it again in Washington on the margins of the spring World Bank/IMF meetings. Ngwenya agreed on the need to enhance coordination between USG agencies and COMESA, as well as harmonize development assistance among donor countries. End Summary.

USG Development Assistance

¶2. (SBU) During the presentation of his credentials, which was extensively covered by local press, Ambassador underscored continued U.S. commitment to regional economic integration, trade expansion, and food security. He pointed out that USG assistance to COMESA and its regional integration efforts amounted to over USD 69 million since ¶1999. Secretary General Ngwenya acknowledged this support, which he said had paved the way for financial assistance from other donor countries. Through U.S. capacity building, Ngwenya explained, COMESA had become the first regional economic community in Sub-Saharan Africa to qualify for direct budget support from the European Union. Ngwenya conceded that, although the United States may not be COMESA's largest donor, it has been its most strategic and effective donor.

¶3. (SBU) Ngwenya also expressed appreciation for the African Growth and Opportunity Act (AGOA), which provides many COMESA member states with duty free access to the U.S. market. In particular, he thanked the USG for its decision in October 2008 to extend AGOA third-country fabric provision to Mauritius, something that the Secretariat had been urgently seeking. Ngwenya inquired into the possibility of a regional Millennium Challenge Account compact for the COMESA Secretariat in order to address transnational infrastructural projects aimed at expanding trade. Ambassador explained the legal constraints MCA faces regarding regional compacts. Referring to a former U.S. Department of Treasury resident advisor to Zambia on anti-money laundering, Ngwenya identified the need to make progress on anti-money laundering and counter-terrorist financing within the COMESA region and invited USG assistance. Ambassador affirmed U.S. interest in countering these activities.

Policy and Program Coordination

14. (SBU) Ngwenya noted broad-ranging USG support through USAID/East Africa (Nairobi), U.S. Department of Agriculture, and U.S. Trade and Development Agency as well as the President's Emergency Plan for Aids Relief (PEPFAR). In particular he pointed to agricultural, peace and security, gender, customs, bond guarantee, and information and communication technology programs in which USG assistance had played a significant role. Given the number of USG agencies engaged with COMESA, the Ambassador recommended an annual or semi-annual stock-taking, perhaps before the convening of the TIFA Council, to better coordinate USG direct and indirect assistance. Ambassador also recommended an annual meeting with other funding partners in order to develop a more holistic approach and to more accurately evaluate the impact of foreign assistance. Ngwenya enthusiastically endorsed these proposals.

COMESA Summit

15. (SBU) Ngwenya said Zimbabwe could not host the long-overdue COMESA Summit, which was originally scheduled for May 2008 in Victoria Falls, Zimbabwe. He said that even Mugabe understands that Zimbabwe cannot host the next summit, which most likely will be held in Lusaka in May 2009. Ngwenya pointed out that a Lusaka Summit requires the approval of the Zambian Government, which Ngwenya expects imminently. According to Assistant Secretary General for Programs, Stephen Karangizi, 12 COMESA members will participate in the COMESA customs union, which will be launched by the next COMESA chair at the May summit. Karangizi conveyed his enthusiasm for the COMESA-SADC-East African Community (EAC) tripartite cooperation agreement, noting that the organizations' leaders had taken the integration agenda beyond the expectations of the Secretariat.

TIFA Council

16. (SBU) Ngwenya told the Ambassador that, although it is the Secretariat's turn -- and preference -- to host the next TIFA Council meeting, this might be difficult in light of a possible May summit in Lusaka. He thought it might be more feasible to hold the TIFA council in Washington on the margins of the World Bank/IMF spring meetings. Ngwenya suggested that the Secretariat may not be able to commit to a date for the TIFA meetings until it had reached agreement on the location and timing of the summit. COMESA Agricultural advisor Cris Muyunda told Emboff that the Secretariat might be interested in adding biotechnology cooperation to the TIFA agenda, given the Secretariat's intention to establish a harmonized biotechnology regulatory framework and policy as well as the Secretariat's plans to lobby COMESA heads of state and ministers of trade and agriculture to re-evaluate the potential benefits of lifting bans on biotechnology (to be reported by septel).

BOOTH